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THE CORPORATION PROBLEM.—The Public Phases of Corporations, their Uses, Abuses, Benefits, Dangers, Wealth and Power, with a Discussion of the Social, Industrial, Economic and Political Questions to which they have given rise. By WILLIAM W. COOK, of the New York Bar. Pp. vi, 262. New York: G. P. Putnam's Sons, 1891.

American lawyers have written more voluminously, not to say more diffusely, on corporation law than those of any other country; but they have usually elected to treat the subject from a strictly legal standpoint. Their works have quite frequently been planned merely to serve busy attorneys. Such a convention as that which met in Paris some time ago, made up of eminent lawyers and economists, to consider corporation law in all its bearings has not been known in this country; and the elaborate studies of the social aspects of such law undertaken by German publicists have no counterpart in English. When the editor of the *Handwörterbuch der Staatswissenschaften* asked Dr. Falkner to prepare a paper on the statistics of corporations in the United States, the latter found it necessary, I believe, to begin at the beginning, and to work from very scattered and incomplete sources.

In his earlier work on "Stock and Stockholders" (a "law book"), and in his smaller work on "Trusts," Mr. Cook's foot-notes indicated that he was giving considerable attention to the social and economic bearings of the subjects treated. The character of his present work indicates, and its preface avows, that it is made up of the materials which had accumulated during the preparation of the legal works, but which could not be used in them. It smacks of the scrap-book, and of a scrap-book that has not been filled from all the possible sources. It leaves the impression of having been concocted at odd times by a very busy man. As in the work on "Trusts" also, the haste of the author to occupy a new field seems to have led him to fill up with a good many unassimilated quotations, and a certain amount of rhetoric that approaches spread-eagleism in its indomitable hopeful-

ness as to the ability of the American people to settle all problems that present themselves.

But Mr. Cook might well urge that this particular field had so long needed occupying that it was much better that he should enter, as now, than that the social and economic aspects of modern corporation law should not receive systematic consideration. This is true. The need for an interpreter between the economists and the lawyers was urgent, and Mr. Cook was right in doing that which his time and preparation made possible, to meet the real demand. His present book will be useful in preparing a better book, whether that work be done by himself or another; and for the present it will serve to popularize the candid consideration of the subject with which it deals.

Admitting that the purpose of the work is to break, practically, new ground, so much space should not have been given to railroad problems as such. Of course they are at present of overshadowing importance; but they have been treated more systematically and at greater length than other branches of the subject, and Mr. Cook's nervous review of the opinions of many men does not add much to what the public already knows. Yet of this, as of the chapter on "Corporations as the Owners of Natural Monopolies," it may be said that though the matter seems already old to working economists, it is well that it should be brought sharply and repeatedly to the attention of the legal profession, and of the public generally.

The book gives a more substantial basis for optimism than the author's rhetoric. It shows that some problems that formerly seemed insoluble have been solved. For instance, we have learned that free incorporation under general acts is better than the granting of special charters to private companies by the Legislatures; and Connecticut is almost the only northern State that still adheres to the earlier method. We have also learned that whether the Dartmouth College decision was or was not sound from a strictly legal point of view, the system of irrepealable and unamendable charters

which it established was mischievous; and nearly all the state constitutions now reserve to the Legislature the right to amend or repeal any charter it may grant. Perpetual exemptions from taxation have been in this way prevented. Among the things that we are now learning, and which this volume will help to teach is the distinction, especially for purposes of taxation, between corporations which control natural monopolies and those which do not, and the imperative need of full publicity in all corporation affairs.

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CHAPTERS ON THE THEORY AND HISTORY OF BANKING. By CHARLES F. DUNBAR, Professor of Political Economy in Harvard University. Pp. 199. New York : G. P. Putnam's Sons, 1891.

It is not a little astonishing that in a country where modern banking methods have reached so high a point of development, and where the regulation of banking privileges has occupied so large a share of legislative attention, both state and federal, so little should have been done in the systematic investigation and analysis of banking operations and statistics. This important department of political economy has been too long neglected by the professed cultivators of the science; their theories of currency have in consequence lagged woefully far behind the practice of the community. Doubtless much of the indifference ordinarily shown by practical men to the currency discussions of the books is to be set down to the insufficient account usually taken by the text-book writers on bank currency. And a similar disregard by our Legislators of some of the more important services rendered by the banks in the currency system of a community where, what has not been inaptly termed the "banking habit" is so general a feature of commercial life as in the United States, will alone account for much that is crude and antiquated in our legislation on the national banks. The abuse of their note issues